CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D.C. 20505

1 JUN 1976

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

I am taking this opportunity to provide you with a comprehensive report on the status of Agency covert action programs authorized by you under the provisions of Section 662 of the Foreign Assistance Act of 1961 as amended, and to call to your attention some of the problems we have encountered in complying with this law.

As you know, Section 662 requires as a condition precedent that the President find that each covert action operation is important to the national security of the United States. It also requires reporting of the scope and description of the operation, not as a condition precedent, but in a timely fashion, to "appropriate congressional committees," including the committees on foreign relations in each House. In practice this now involves briefing seven subcommittees.

Leakage in the course of these congressional briefings coupled with the adverse effects of the year-long congressional investigations of the Agency operations, particularly covert action, is a serious problem.

Along general lines, I wish to stress that this is a turbulent and troublesome period for the Agency. The intensive investigations by both Houses of the Congress for more than a year now has resulted in extensive public disclosures of past and current covert action operations. Some of these disclosures occurred in the course of open congressional hearings, in committee reports and as a result of leaks from the investigative and Section 662 committees. The net result has been unprecedented and unceasing domestic and foreign media reporting on many of our nation's most secret operations. These disclosures have had a considerable negative effect on the Agency's covert action programs and capabilities as well as our image abroad and foreign policy interest. They have caused consternation and concern among our foreign friends and allies and have provided an unending flow of information for the propaganda machines of our foreign adversaries to attack and discredit the Agency and our Government. The Cuban

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Government, for example, has recently translated the reports of the Senate Select Committee into Spanish and is circulating these documents in Latin America. The fundamental point is that these exposures were not the result of badly run operations. The projects were not exposed abroad; they were exposed here. If covert action is to continue to be an effective foreign policy instrument, we must improve the legislative procedures for handling these operations to insure their secrecy. The end of the congressional investigations will hopefully ease this problem. We are, however, left with the threat of continuing congressional leaks as a result of our obligations under Section 662.

Section 662 has been criticized on two grounds. The Commission on the organization of the Government for the Conduct of Foreign Policy (the Murphy Commission) recommended that the requirement for the personal certification of the President be dropped as the Commission judged it was harmful "in associating the head of State so formally with such activities." In addition, I report to seven congressional committees on these findings. This process directly involves at least 25 Senators and 26 Representatives plus staff members. Moreover, under existing House rules, a Representative has access to committee records. This broad dissemination of critically sensitive information has led to the public disclosure of every new program undertaken. Calls for restricting these reports have come from both the Executive Branch and from responsible congressional spokesmen.

S. Res. 400, the Senate oversight resolution, will not expressly alter Section 662. However, Senators Percy and Ribicoff have stated they will introduce such an amendment to require the report to be made to only the Appropriations Committee and Select Intelligence Committees, but prospects for such a bill in the foreign affairs committees are uncertain. Such legislation would also face stiff opposition on the floor of both Houses.

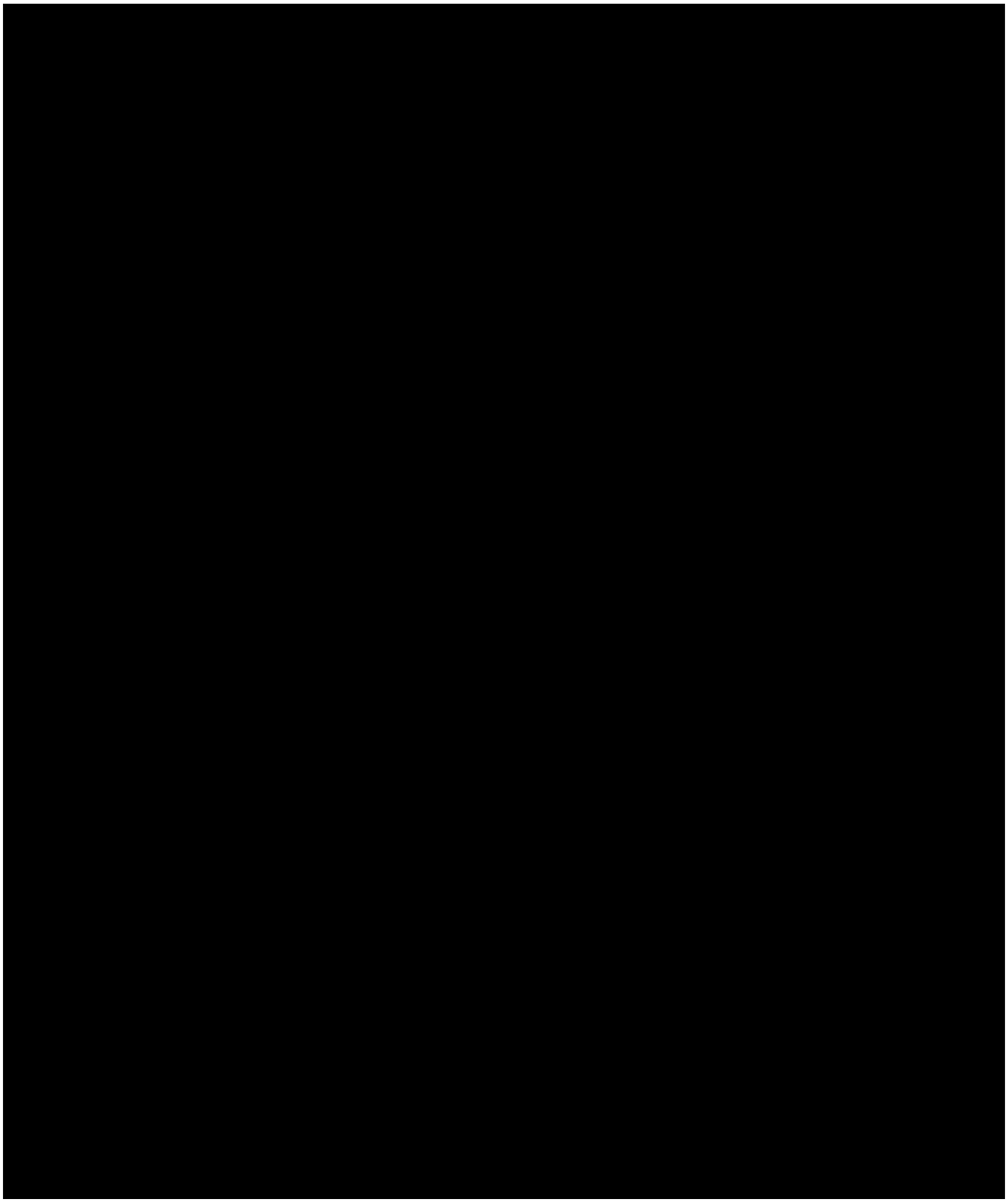
Some of the joint oversight committee proposals introduced in the House have attempted to deal with the proliferation of reports under Section 662. H.J. Res. 945, a resolution to establish a joint committee on intelligence introduced by Representative Cederberg, would amend Section 662 to require reports be made only to the joint committee and the appropriations committees. Representative Biester's bill to establish a joint oversight committee, H.R. 12618, would likewise require reports only to the joint committee and appropriations committees, although the bill would give the committee veto power over covert actions. Generally, however, the issue of prior congressional notification and approval for covert action has not been a particularly pressing issue, and there does not seem to be much support for such procedures in the Congress. It is clear, however, that S. Res. 400 will not require prior notification or approval of Congress concerning covert actions. This was explicitly stated in a colloquy between Senators Pastore and Ribicoff during floor consideration of the resolution.

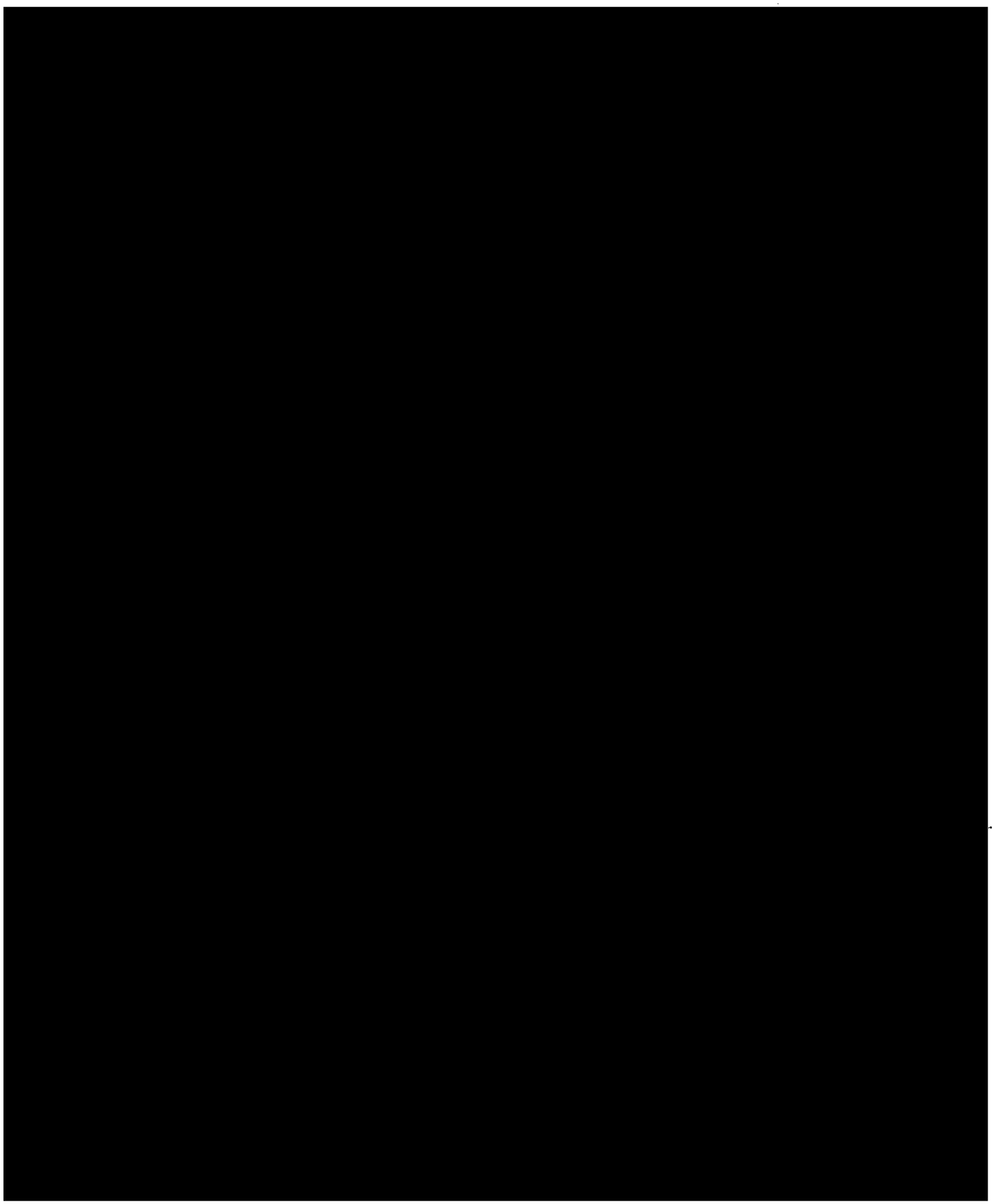
Serious damage to our foreign intelligence effort has also resulted from the unauthorized disclosure by disaffected Agency employees and other knowledgeable officials of information related to intelligence sources and methods. It is essential to the future success of our foreign intelligence program that legislation protecting intelligence sources and methods be enacted at the earliest possible date, since existing law is inadequate to protect these assets. The legislation you proposed in your message of 19 February would meet this need by providing a criminal penalty for the unauthorized disclosure of information relating to intelligence sources and methods. It would apply only to individuals entrusted with the sensitive information or who gain access to it by virtue of their position as officer, employee, contractor, or other special relationship within the United States Government. This proposal has been introduced in the House by Representative McClory as H.R. 12006, and has been referred to the House Armed Services Committee where no action has yet been taken.

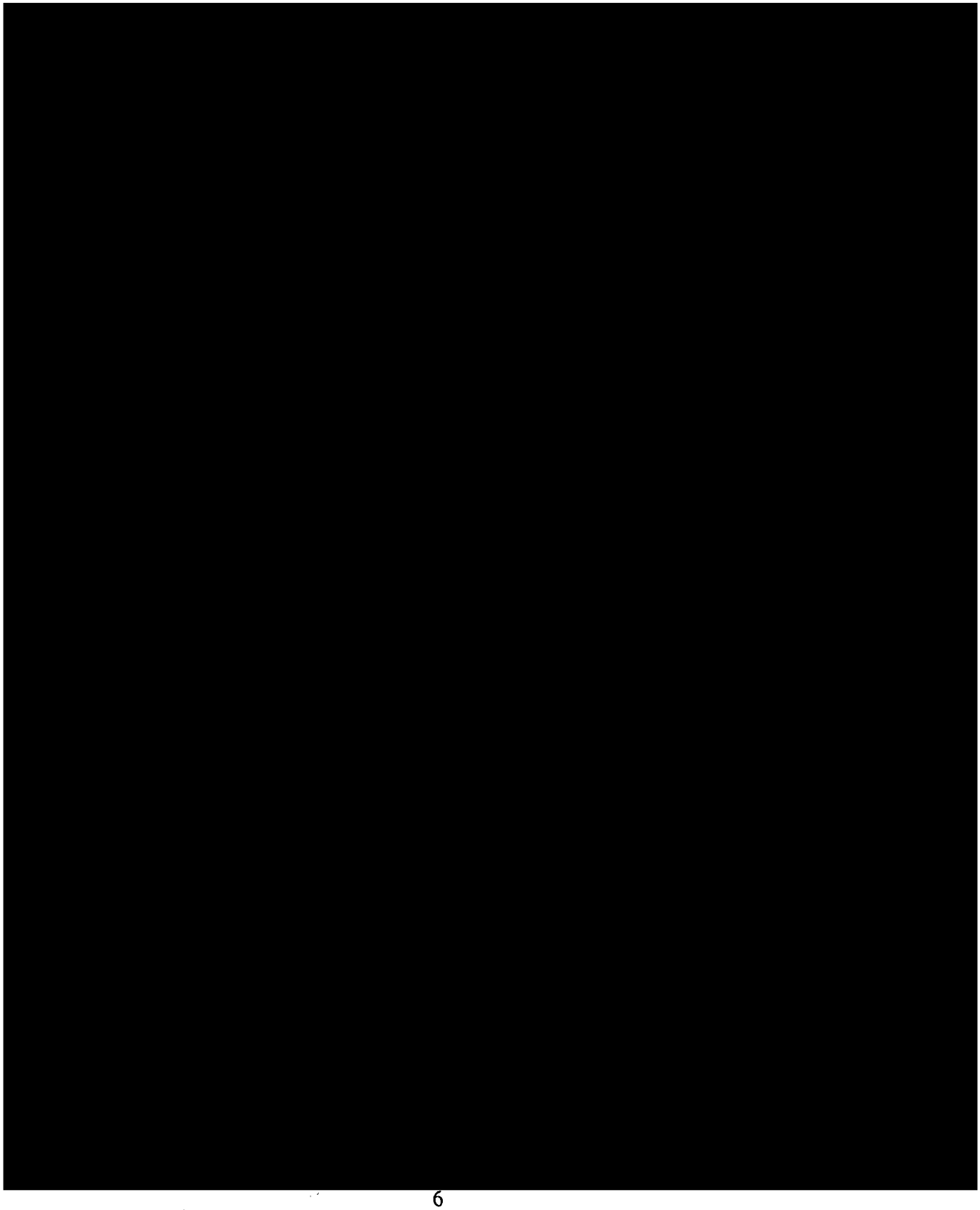
In addition, several bills have been introduced which would impose criminal penalties on persons who disclose information which identifies intelligence personnel. Congressman Michel's bill, H.R. 11365, which has over 50 co-sponsors, would apply stiff sanctions against both Government employees and private citizens who knowingly and willfully expose under cover intelligence personnel. Senator Beall has introduced a companion bill in the Senate.

Under the provision of Section 662, Mr. President, you have made a total of [redacted] Findings on Agency covert action programs. The first Finding, signed on 10 January 1975, covered all major covert action programs extant at that time and other lesser activities such as non-attributable propaganda, political influence operations, operations to counter international terrorism and narcotics traffic and operations to counter foreign intelligence activity targeted against the United States. [redacted] additional Findings were subsequently issued, [redacted] All of these Findings have been reported to the concerned congressional committees under the provisions of Section 662. Earlier this month I instituted briefings of these committees on the current status of Agency covert action programs. (See Tab A for record of congressional briefings.) Finally, when all briefings on a particular program have been completed, a report has been submitted to you setting forth the reactions on the part of the committees involved.

[redacted] major covert action programs have been terminated since the first Finding on 10 January 1975, [redacted]







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Respectfully,

/s/ George Bush

George Bush
Director

Attachments
As stated

DDO/[redacted] (28 May 76)

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